

Thorp Reed & Armstrong, LLP
 One Oxford Centre, 14th Floor
 Pittsburgh, PA 15219
 412-394-2325
 By: Patrick W. Carothers (PWC)

Thorp Reed & Armstrong, LLP
 One Commerce Square
 2005 Market Street
 Suite 1910
 Philadelphia, PA 19103-7041
 215-640-8500
 BY: BARRY L. COHEN (BLC 4449)
 Attorneys for Defendant,
 HCSC-Laundry

**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF NEW JERSEY**

In re:)	Chapter 11
)	
BAYONNE MEDICAL CENTER,)	Case No. 07-15195 (MS)
)	
Debtor.)	
)	
)	
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF BAYONNE MEDICAL CENTER,)	Adv. Pro. No. 09-01554 (MS)
)	
Plaintiff,)	
)	
v.)	
)	
HCSC-LAUNDRY, a Division of Hospital Central Services Cooperative, Inc.,)	
)	
Defendant.)	
)	

**ANSWER TO ADVERSARY COMPLAINT FOR
 RECOVERY OF PREFERENTIAL PAYMENTS**

HCSC-Laundry (the "Defendant"), through its undersigned counsel, files the following Answer to Adversary Complaint for Recovery of Preferential Payments (the "Complaint"), averring as follows:

JURISDICTION

1. Averment 1 is admitted.
2. Averment 2 is admitted.
3. Averment 3 is admitted.
4. Averment 4 is admitted.
5. Averment 5 is admitted.

BACKGROUND AND PARTIES

6. Averment 6 is admitted.
7. Averment 7 is admitted.
8. Averment 8 is admitted.
9. Averment 9 is admitted.
10. Averment 10 is admitted.

COUNT I

AVOIDANCE AND RECOVERY OF PREFERENTIAL TRANSFER

11. Paragraphs 1 through 10 are incorporated herein by reference.
12. Averment 12 is admitted.
13. Defendant is without knowledge or information sufficient to form a belief concerning the truth of the remaining averments stated in paragraph 13.
14. Defendant is without knowledge or information sufficient to form a belief concerning the truth of the remaining averments stated in paragraph 14.
15. Averment 15 is admitted.

16. The averments contained in paragraph 16 contain conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

17. The averments contained in paragraph 17 contain conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

18. The averments contained in paragraph 18 contain conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

19. The averments contained in paragraph 19 contain conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

COUNT II

ATTORNEYS FEES AND COSTS

20. Paragraphs 1 through 19 are incorporated herein by reference.

21. The averments contained in paragraph 21 contain conclusions of law to which no response is required. To the extent a response is required, the averments are denied.

WHEREFORE, HCSC-Laundry requests that the Complaint be dismissed.

AFFIRMATIVE DEFENSES

22. Paragraphs 1 through 17 are incorporated herein by reference.

23. All elements of a *prima facie* case under 11 U.S.C. §§ 544 (b), 547(b), 548(1)(A) and 11 Pa. C.S. § 5104(a)(2) are not met.

24. At all relevant times, the Debtor was solvent.

25. Assuming, without conceding, that all of the elements of a *prima facie* case under 11 U.S.C. § 547(b) can be met, any and all transfers that the Defendant received are immune from avoidance by virtue of 11 U.S.C. § 547(c).

26. Assuming, without conceding, that all of the elements of a *prima facie* case under 11 U.S.C. § 547(b) are present, the Defendant has a right of setoff under 11 U.S.C. § 553.

27. The Debtor received reasonably equivalent value for any payments made to the Defendant.

28. The Plaintiff is estopped from asserting that the Defendant failed to provide value to the Debtor for payments made to the Defendant.

Respectfully submitted,

Dated: June 10, 2009

THORP REED & ARMSTRONG, LLP

/s/ Barry L. Cohen
Patrick W. Carothers*
Barry L. Cohen
One Oxford Centre, 14th Floor
301 Grant Street
Pittsburgh, Pennsylvania 15219-1425
(412) 394-2325 phone
(412) 394-2555 facsimile
pcarothers@thorpreed.com

Attorneys for Defendant,
HCSC-Laundry

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing **ANSWER TO ADVERSARY COMPLAINT FOR RECOVERY OF PREFERENTIAL PAYMENTS** has been served upon counsel of record this 10th day of June 2009 via Court's electronic system and via U.S. Mail, First-Class postage prepaid, as follows:

Valerie A. Hamilton, Esq.
SILLS CUMMIS & GROSS P.C.
650 College Road East, Suite 4000
Princeton, NJ 08540
(*Counsel for Plaintiff*)

/s/ Barry L. Cohen _____